



Signed and Filed: October 30, 2023

Dennis Montali

DENNIS MONTALI
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA

In re) Bankruptcy Case No. 23-30564-DM
)
THE ROMAN CATHOLIC ARCHBISHOP) Chapter 11
OF SAN FRANCISCO,)
)
Debtor.)
)

**ORDER OVERRULING OBJECTION OF THE UNITED STATES TRUSTEE
REGARDING INVESTMENT ACCOUNTS**

The court has now had an opportunity following the October 26, 2023 hearing to consider the Debtor's (1) Supplemental Reply in Further Response to the Objection of the United States Trustee to Final Approval of Debtor's Motion for Continued Use of Existing Cash Management System Operational Bank Accounts and Related Investment Accounts; and (2) Status Report Regarding Compliance with Interim Order Regarding Same, together with the Third Supplemental Declaration of Joseph J. Passarello in support thereto (Dkts. 232 and 232-1). It will defer to the Debtor's business judgment and permit a departure from strict compliance with 11 U.S.C. § 345(b) regarding its Investment

1 Accounts, and in particular its BlackRock FedFund with Bank of
2 America and its various funds with the U.S. Bank Pooled
3 Investment Accounts. Accordingly, the court overrules the
4 *Objection of the United States Trustee to Final Approval of*
5 *Debtor's Motion for Continued Use of Existing Cash Management*
6 *System [ECF No. 9] (Dkt. 71).*

7 The court accepts and agrees with the observation of the
8 bankruptcy court in *In re King Mountain Tobacco Co*, 623 B.R.
9 323, 334, (Bankr. E.D. Wash. 2020):

10
11 In sum, standard tools of statutory construction and all
12 other indicators point the same direction – the Orders
13 Otherwise Clause of section 345(b) encompasses the
14 entirety of that section and thus permits the court to
alter or eliminate the requirements that would otherwise
exist under (b)(1), or (b)(2), or both.

15 The nature of the Debtor's status as a religious non-profit
16 entity, the well-documented reasons for its filing bankruptcy (as
17 with numerous other similar religious organizations that have
18 filed) and the expectation of its prompt exit from Chapter 11,
19 compel the court to focus on the totality of circumstances as
20 reminded by the *King Mountain* court. There is no need to recount a
21 laundry list of the factors here, as the Debtor has done so in its
22 Supplemental Reply.

23 In sum, the court exercises its discretion and will permit the
24 Debtor to retain its Investment Accounts without interruption.
25 Debtor shall upload the proposed Final Order (1) Authorizing
26 Continued Use of Existing Cash Management System, Operational Bank
27 Accounts and Related Investment Accounts; (2) Authorizing
28 Maintenance of Existing Business Forms, (3) Excusing Compliance

1 With Section 345 (b); (4) Authorizing Continued Use of Current
2 Investment Policy.

3 *** END OF ORDER ***

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1 COURT SERVICE LIST

2 ECF Recipients

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